The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor, occurring in the industrial, legislative and judicial fields, and other information that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Entered as second-class matter September 30, 1912, at the Post Office at Washington, D. C., under the Act of August 24, 1912. Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

Except a human being, there is nothing more wonderful than a book.—Charles Kingsley.

VOL. 16, NO. 26. WASHINGTON, D. C., SATURDAY, SEPTEMBER 11, 1926. WHOLE NO. 805.

WAGES-BY-LAW ADVOCATES ALWAYS ALERT

An examiner of the Interstate Commerce Commission opposes lower freight rates to Indiana and Illinois coal operators. Miners' wages in these states, he says, "are so much higher than those in non-union fields in other states and so affect production costs that the operators are having great difficulty in meeting their competitors' prices."

This is a diplomatic way of hinting to these operators: "Don't harm the railroads —take it of the workers. Smash your Jacksonville agreement with them, as did West Virginia and other coal operators."

The Jacksonville agreement was approved by the United States Bituminous Coal Commission and was accepted by the coal operators. Later many of them repudiated it. This action has been indorsed by those who talk of the sacredness of contracts.

After breaking their agreement, coal operators of western Pennsylvania, Kentucky and West Virginia lowered wages and increased hours. Yet their business is demoralized. Not an additional pound of coal has been consumed.

Now, a government representative advises Indiana and Illinois operators to increase this industrial anarchy.

It takes nerve for a government official to link wages with freight rates, but the thing has been done before.

In the last congress, when the Watson-Parker railroad mediation bill was being considered, certain influences urged that the Interstate Commerce Commission decide whether wage increases would affect freight rates.

This would empower the commission to be final judge of railroad wages. Once established, the precedent of setting wages by a government board could be applied to other public utilities.

If a government board can sit in judgment over the workers' living standards, why not over employers? Why not tell them how and where they shall live? Why not, in certain cases, manage their business on the ground that their inefficiency is costly to the public?

If wages are to be based on freight rates, for instance, to protect the public, a government commission could surely inquire into the incomes of employers, which is likewise a charge on the public.

Such a commission must go all the way or stand convicted of attempting to bring the workers under a paternal feudalism.

If these stealthy wages-by-law advocates do not intend to deny workers ownership in themselves, they will get in deep water.

Logically, they wind up in the camp of Mussolini and the Soviets.

DAUGHERTY ON TRIAL; CONSPIRACY CHARGED

New York, Sept. 11.—Harry M. Daugherty, attorney general in the Harding administration, and who thundered for law and order during the railroad shop men's strike, is on trial before Federal Judge Mack. He is charged with conspiracy.

Daugherty's co-defendant is Thomas W. Miller, former alien property custodian. Both are accused of conspiring to defraud the government through the transfer of $391,000 in Liberty bonds and $50,000 in cash, to "arrange" the recovery of $7,000,000 in assets of the American Metal Company, a Swiss concern of German ownership. This property was seized when the United States entered the war. It was under Miller's control. Two other men who were involved in the deal—both friends of Daugherty and Miller—have since died. One of them, it is claimed, committed suicide in Washington.

When Daugherty's name was first connected with the alien property scandal he protested his innocence and insisted on "his day in court" before the public passed judgment. A senate committee attempted to unravel the question, but without Daugherty's aid. His brother, a banker in Washington Court House, Ohio, refused to turn his books over to the senate committee.

AMAZING WEALTH TO FEW WHO CONTROL PRODUCTION

Washington, Sept. 11.—Twenty thousand men, in control of 1,200 corporations, are the principal beneficiaries of America's prosperity. This announcement follows a survey of tax returns made to the Internal Revenue Bureau.

The returns show that net profits this fiscal year of the 1,200 corporations will total $5,000,000,000. Total profits of the remaining 398,000 corporations will be less than the 1,200. Within the latter group is a smaller body of 168 corporations whose profits have engulfed them. Each of these combines made a profit of more than $13,500,000 during the last fiscal year in which the figures are available.

This distribution of wealth, as shown by government reports, may renew agitation for stringent anti-trust legislation and publicity of corporation profits. It may also be used by those who insist that the nation's wealth is falling into the hands of a few persons.

American Labor Doesn't Buy Stock; Widely-Advertised Myth Exploded

Washington, Sept. 11.—The claim that American workers are securing control of industry through stock ownership is exploded by the National Catholic Welfare Council in its weekly bulletin.

Figures to refute this widely-advertised statement are taken from the report of the Federal Trade Commission on "National Wealth and Income."

The church men show that employes' stock ownership is not general and that the small amount of stock among employes is held by better paid workers.

"The wages paid in trade and factories will not usually let the average employe save and invest so much money," it is stated.

"Only 75 out of 1,000 of the holders of common stock are employes and these own a still smaller proportion of the stock. Out of every 1,000 shares the 75 employes own but 15 shares. In preferred stock there is little difference. Thirty-five out of 1,000 stockholders are employes, and they own 19 out of every 1,000 shares.

"These are average figures over all industry. In the leather products industries, the highest record is made. Of 1,000 common and preferred stockholders, 316 common stockholders and 321 preferred stockholders are employes. But again they own a smaller share of the stock. They own 33 shares of common stock and 46 preferred shares out of 1,000.

"In some industries employe ownership is practically nil.

"The average holdings of the employes owning common stock is nearly $1,400 and in preferred stock is $2,800.

"All this goes to show how steep a road American labor must travel to reach the goal when the working people will share proportionately in the ownership of industry. It punctures the myth that has been carefully blown up in the United States. American industry is not on the high road toward democratization through diffusion of stock ownership."

NON-UNION LABOR DOES SOCIAL WRONG

By J. R. CLYNES

Member British Parliament and President National Union of General and Municipal Workers

It is no wonder that resentment against the non-union man has hardened in many cases to the degree of declining to work with him.

In the professions and higher paid posts, any instance of "acting unprofessionally" is publicly denounced as infamous. The offender is branded with contempt or some definite punishment is devised. Some corresponding policy applied to the non-unionist would be even more justifiable in the case of wage earners whose life standards and conditions of work require the protection of a unity greater than that of the professional classes. If workers really knew what others gain by organization, and what they lose from lack of it, they would no longer neglect one of the greatest weapons which can be used for the workers' advantage.

If men would keep outside a trade union only to their advantage, there would be less need for resentment. But the fact that they are outside enormously weakens the position of the men who are in. Where there is an interest in common, and where men have to serve together under similar conditions, a few such men can not step aside as though they were entitled to disregard the interests of the main body.

Where a community interest exists it is an act of serious desertion for a few to cut themselves away from every obligation and service while always looking out for whatever portion of benefit they may be able to secure.

If the position of the non-union man is viewed from the standpoint of fair play toward his mates, he stands condemned. If it be viewed from the standpoint of material benefit, the conclusion to which we are driven is that the non-union man inflicts losses not only upon himself but upon other men who have done him no harm.

FALSE MONEY SAVING MEANS MORE INJURIES

San Francisco, Sept. 11.—Four years ago the deaths of 47 workers in the Argonaut mine, this state, horrified the public. There was but one exit to the shaft, and when that was cut off by an explosion, the miners were trapped like rats.

Both houses of the state assembly unanimously amended the mining law that would make a repetition of this disaster impossible, but the bill was vetoed by Governor Richardson. Since then the public has forgotten the incident, that is recalled by Will J. French, former member of the California Industrial Commission. When the extraordinary session convened two years ago, he reminded the governor of this danger. The State Industrial Accident Commission has cancelled the Argonaut's insurance.

In his latest letter to the state executive, French calls attention to orders regarding the inspection of boilers which makes it impossible to have adequate examinations of boilers. This has resulted in explosions and increased loss of life.

These orders instruct boiler inspectors to "take them as they come," which means failure to send the necessary prior notice to insure cold boilers for internal inspection. In other words, said Mr. French, a hot boiler can not be properly inspected.

The governor's general safety policy which he insists is in the interest of economy, has netted in 1,287 more injuries to workers during 1924-1925. His economy program has been repudiated by the voters, who defeated for renomination in the recent primary election.

IMPROVED METHODS MEAN COAL OUTPUT

New York, Sept. 11.—Because of improved methods, American soft coal miners produce nearly five times as much as British miners, according to the New York Trust Company.

The American production is 80 hundredweight per manshift and in Great Britain the production is 17½ hundredweight.

"Notwithstanding easier natural conditions in many parts of the United States, a very large part of the difference is accounted for by our more advanced methods in the use of machinery and electric power," it is stated.

VACATIONS WITH PAY IN BRAZIL; EMPLOYES MUST REST IN PERIOD

Washington, Sept. 11.—In Brazil if an employer fails to give each employee a 15-days' vacation with pay, he may be fined from $10 to $300.

Details of this new regulation by the government of Brazil is contained in a report to the United States Department of Commerce by Vice Consul Dawson.

It is optional with employers when they give the vacations, provided the full period is granted every calendar year. It is illegal for workers to accept other employment during this time. Enforcement of the regulations is given to the National Council of Labor, and local agents are appointed to see that these rules are not violated.

UNIONISM DEVELOPS MANHOOD; CORPORATIONS ARE FOR PROFIT

New York, Sept. 11.—In an address at a Labor Sunday meeting in this city, under the auspices of the Federal Council of Churches of Christ, President Green called attention to the difference between trade unions and corporations.

"Corporations are organized for profit," the trade unionist said. "Their primary objective is the making of money. Their purpose is materialistic. Their earnings must come from the creative effort of labor.

"Trade unions are idealistic and spiritualistic. Wages mean life and living, not profits. Trade unions direct their efforts toward the elevation of living standards, toward the advancement of the educational, moral and spiritual welfare of the workers. They ally themselves with every movement organized for community, social and civic betterment.

"The working people need trade unions. Industry needs them, for they serve as a stabilizing force to protect employers against the evil consequences of selfishness and greed. Society needs trade unions and we ask the church to give to them its assistance and support."

President Green called attention to a recent statement by a committee of the Federal Council:

"Democracy must be applied to the government of industry as well as to the government of the nation."

"CONSENT"

By WM. GREEN
President A. F. of L.

The outstanding difference between the company "union" and trade unions may be summed up in one word—consent.

Company "unions" are planned and brought into being by management.

Trade unions are planned and fostered by the workers. Everything connected with them is representative of the will of the workers.

In the case of the company "union" the company endeavors to tie employes to their jobs by various types of paternal benefits.

The company "union is opposite in spirit to the trade union. The company "union" was created without the consent of the wage earners. Because it is not the product of their consent or initiative, wage earners do not have the trust and confidence toward it that they have in organizations of their own making.

Company "unions" lack backbone and virility and can never perform the type of service necessary to keep industrial relations policies upon a scientific and efficient basis.

UNION MAY CELEBRATE GOLDEN ANNIVERSARY

Indianapolis, Sept. 11.—As editor of the Carpenter, Frank Duffy, general secretary of the United Brotherhood of Carpenters and Joiners of America, urges members to consider the fiftieth observance of the brotherhood's golden anniversary in 1931.

"While the date of the anniversary is almost five years away, it is none too soon to begin to plan for the event," says the labor editor.

"At the present writing the Brotherhood is 45 years of age. Who can remember when carpenters worked 10 and 12 hours a day, six whole days a week? In those days 25 cents an hour was considered good wages. Many men worked for less than that. The first fight was for a nine-hour day. An eight-hour day at that time was just a dream. But it was finally realized, as was also the Saturday half holiday. Today some of our locals are enjoying the five-day week. The hourly wage scale has constantly increased."

CONVICT MINE LABOR SCORED BY UNIONISTS

Jefferson City, Mo., Sept. 11.—The leasing of convicts to the Western Coal and Mining Company at Lexington, this state, was denounced at a meeting held under the auspices of organized labor. The lease was signed by officials of the State Penal Board and the mine operating company. The unionists will hold protest meetings in other sections of the state, and court action will also be started.

RAINCOAT MAKERS WIN

Boston, Sept. 11.—After a short strike raincoat makers won the 42-hour week. The agreement calls for nine and one-half for overtime, three legal holidays with pay.

LONG-DISTANCE PHONE ENDS THEATER STRIKE

New York, Sept. 11.—A long-distance phone talk across the continent that continued all night and until late the next morning adjusted a strike of musicians, stage employes and motion picture operators along the Pacific Coast and in the Intermountain states.

The telephone conversations were between managers and trade union officials in this city and in San Francisco.

Proposals and counter-proposals flew back and forth over the 3,150-mile wire, and it was 11 a. m., New York time, before an agreement was reached. Wage demands were compromised and the contract recognized the principle of the six-day week and a six-hour day. Minor issues will be agreed upon later.

The workers were preparing to make their strike effective in every house controlled by the Orpheum and Pantages vaudeville circuits. The movement would extend as far east as Chicago.

LAUNDRIES TO MERGE

New York, Sept. 11.—The constitution of the laundry industry has advanced by the merging of 19 principal laundry companies in Greater New York. The business of these concerns is obtained from small and large laundry agents, hotels, steamship companies and manufacturing concerns. More than 75 per cent of the laundry business of this city and vicinity is handled by large laundry corporations.

LONG DISPUTE ENDS

Newark, N. J., Sept. 11.—Clifford F. McEvoy, contractor of this city, has ended his long dispute with building trades unions in this state. He has agreed to withdraw his $500,000 damage suit and pay a nominal fee of $7,000 incurred by the Building Trades Council. The dispute arose over the employment of nonunionists on a $2,000,000 waterworks contract.

CHEMISTS' PROPHECY IS FAR IN DISTANCE

Williamstown, Mass., Sept. 11.—Predictions of a synthetic era, in which chemistry will create substitutes for raw material were not accepted by engineers and mineralogists at the recent meeting of the Institute of Politics.

H. Foster Bain, former director of the bureau of Mines, said chemists are grandiose in their promises.

Dr. Bain warned the public against being "lulled to sleep" by a "false sense of security" in a world of no "theoretical possibility" of changes outlined by chemists. Time for many long years and bitter years of trouble, peace, he said, remained before the enormous needs of modern industry can be met by substitutes to what metals alone now used. He scoffed at the "great era of substitution and synthesis," which chemists predict.

"We should base our optimism for the long time future on the skill of the technicians. They are able to work lower and lower grade material as necessity arises, and in particular upon the beneficent circumstances that basis are permanent in character. They are not necessarily lost when 'used.' Eighty per cent, for example, of the steel used in rails comes back to the melting pot within 15 years," he said.

LAWYERS NOT NEEDED TO GET INJURY CLAIM

Chicago, Sept. 11.—William M. Scanlan, chairman of the State Industrial Commission, again warns workers not to employ attorneys when they are injured. On many occasions are they necessary, he said.

"These workers are entitled to advice and assistance by the arbitrator of the courts.

"Only when questions are of a technical and intricate nature and a record must be built up in accordance with the established rules of evidence, is an attorney necessary," he said.

STOCKS ARE JUGGLED BY UTILITY SCHEMERS

New York, Sept. 11.—It is predicted that Professor Wm. E. Ripley of Harvard University will renew his bombardment of big business methods by an expose of how public utilities are financed.

The Harvard economist states that many utilities consolidations "have apparently been undertaken merely for the purpose of shuffling stocks in order to make a profit in the turnover without consideration as to whether the public will be better served thereby."

Fictitious prices are often paid for properties and securities and then issued. These are often based on inflated values without regard to how these values will stand during a business depression.

Recently Prof. Ripley attacked the practice of corporations hiding profits. He insisted that stockholders are entitled to a full knowledge of the financial affairs of their properties.

Prior to this he showed how insiders can use non-voting stock to the public and retain a small issue of voting stock, which permits them to control the corporation. The property is purchased with the income secured by the sale of non-voting stock, while the public has no voice in the corporation's management. The insiders own the corporation, that was handed to them by the public.

GARMENT STRIKERS WANT LASTING PEACE

New York, Sept. 11.—Striking garment workers refuse to be tricked into accepting a "patched-up" peace. They again insist that any settlement must include fundamental changes in this industry.

Through a system of jobbers and contractors the trade has grown up in the cloak trade, the sweatshop has been re-established. The strikers insist that wages must be increased and hours reduced, and that the hawkers of contracts among small shops must be checked.

This question can not be settled by outside arbiters, who know nothing of the industry, the strikers say.

STRIKERS ARE FIRM AGAINST WAGE CUT

Willimantic, Conn., Sept. 11.—The strike of American Thread Company employes against a 10 per cent wage reduction has entered its nineteenth month.

The strike forms a new page in the textile industrial history of this country, and despite every power at its command the workers have beaten this foreign thread syndicate. The company admits a loss of $552,729 for the year ending March 31, 1926, as against a profit of $1,017,325 the previous year.

ARBITERS TO ADJUST RAIL WAGE DISPUTE

New York, Sept. 11.—Eastern railroad managers and representatives of their conductors and railway trainmen have named two arbiters to adjust the workers' demand for wage increases.

The question was first referred to the new Federal Mediation Board, created by the last congress. On a failure to reach an agreement, both sides appointed arbiters. If the four fail to select a fifth member, the federal mediation board will.

Former Congressman Winslow, chairman of the federal board, said that that body is not out of the case, but will continue to use its good offices in the interest of peace.

KILLER IS REPRIEVED; MAY SAVE TWO ACCUSED

Boston, Sept. 11.—That he may testify for Nicola Sacco and Bartolomeo Vanzetti, if their seventh petition for a new trial is granted, Governor Fuller has postponed the execution of Celestin F. Madeiros, murderer of an aged bank cashier.

Madeiros has made a confession which involves him in the murder of a South Braintree paymaster, six years ago. The confession is alleged to absolve Sacco and Vanzetti, who were found guilty of the crime.

The governor's action has aroused state-wide interest, and one local paper, in a leading editorial, calls on the governor to insure cold boilers for internal inspection. In other words, said Mr. French, a hot boiler can not be properly inspected.

The governor's general safety policy which he insists is in the interest of economy, has netted in 1,287 more injuries to workers during 1924-1925. His economy program has been repudiated by the voters, who defeated for renomination in the recent primary election.

FEDERAL HEALTH LAW FACES FLANK ATTACK

Washington, Sept. 11.—A flank movement against the federal pure food law has been launched, according to a statement issued by the Department of Agriculture. Enforcement of this legislation do not contemplate a direct attack on the law, but rather "to water it down and make its enforcement more difficult."

One of these measures is the corn sugar bill, which was considered by the last congress. If this bill passes, the statement says, its success probably will be the forerunner of other attacks on the integrity of the pure food law.

"Twenty years ago, when the federal food and drugs act was passed, it was thought that the right of the government to protect consumers against the adulteration of foods and drugs had been established once for all. Yet, today, that right is under heavy fire.

"Most people who recall the nation-wide controversy that preceded the enactment of the 1906 act will recall also the disclosures of food adulterations made that time. In those days thousands of articles of food were dangerously or fraudulently adulterated.

"Manufacturers generally want the food and drugs act enforced. They want it for the protection of the honest manufacturer as well as for the protection of the public. There is only a small group that desires to break by law-enforcement. This group, however, is active and not unifluential. It is profiting by the prevailing drift against regulation."

COSTS ONE MILLION TO BUST WAGE STRIKE

New York, Sept. 11.—The recent strike for higher wages of company "unionists" employed by the Interborough Rapid Transit Company ended disastrously for these workers, but the cost will be remembered by the victors.

The strike lasted one month and cost the company $1,146,000. This estimate was reached by comparing the receipts and expenditures of the company.

The Interborough has filed suit for damages against the strikers, but it is agreed that the Hearst-owned paper will get with a judgment that will aid its enforcement of "yellow dog" contracts.

MOVING OPERATORS GAIN

New York, Sept. 11.—A two-year contract and wage increases that range from 5 to 15 per cent has been secured by Motion Picture Operators' Union No. 306. The larger Broadway houses and 175 independent exhibitors are parties to the agreement.

Politics and Trade Unionism Split; Unions Oppose Reactionary Plans

Washington, Sept. 11.—Australian labor papers received at A. F. of L. headquarters indicate sharp divisions between the Labor party and the trade unions over next month's national referendum in that country.

One of the proposals would amend the federal constitution and place complete power over hours, wages and working conditions of the workers in the hands of three judges appointed for life. Under this system a triumverate beyond the reach of the people would be established.

Another proposal would arm the federal government with undefined powers in the event of "a probable interruption of essential services." No effort is made to define what constitutes an essential service."

Opponents show that if this is approved the federal government can deport workers, break up strike-breaking unions, seize union funds, arrest union officials and even conscript workers and force them to labor under military compulsion.

It would end such efforts as the recent 44-hour strike in New South Wales. In that case the New South Wales parliament passed a 44-hour act, but it was set aside by the Australian high court. The unionists suspended work but won their point after a general strike of several weeks.

The Australian Labor party attempted to induce Federal Premier Bruce to accept amendments to the first proposal, but he declined. Since then the party has issued a neutrality manifesto and has issued no statement to workers advising how to vote, or explaining what their opponents may do if the plan is approved. The labor members of parliament are divided on the question. The labor politicians have talked of "centralized government," but they seem to overlook human liberty.

The state labor parties appear to generally oppose the proposals. The conservatives are in favor of the government, but Victoria is the only state they control. The other states—Queensland, New South Wales, West Australia, South Australia and Tasmania—are controlled by labor.

The trade unions, led by the Australian Workers' Union—the most powerful in Australia—are conducting a vigorous fight against the proposals.

In a stirring manifesto this union says "the workers would be mad" to support these amendments.

It is declared that the proposals would inaugurate industrial conscription and would result in "the subjection of the workers of Australia to the slavery of a judicial dictatorship."

British Tory Politicians Switch; Fear To Stand On Strike Record

London, England, Sept. 11.—Winston Churchill, Chancellor of the Exchequer, censures coal owners for their refusal to negotiate a settlement with locked-out miners. The treasury head is spokesman for the government in the absence of Premier Baldwin.

The government, and especially Mr. Churchill and Minister of Health Chamberlain, have been savagely attacked because of their aid to the coal owners. The Manchester Guardian, leading Liberal newspaper, declares that in the last half century no government has done so much to help and win regime to aid employers in an industrial dispute.

The controlling feature of this aid was the government's amendment to the miners' seven-hour law, which gives the owners the right to keep men employed to sign eight-hour agreements.

The government gave further aid to the coal owners when it abandoned the ancient practice of local authorities voting poor relief, and placing this power in the hands of Minister of Health Chamberlain. The effect of this act was to limit relief to the aged dependents of miners. The government also amended the qualifications for mine managers and demanded wage reductions prior to reorganization of the industry.

Despite these aids, the miners have held their lines. Recently they gave their executives wide powers to end the lockout, but they were repulsed by the coal owners. Mr. Churchill then stated that the government has adopted a hands-off policy and will let the two forces "fight it out."

In view of the government's partisanship, the Churchill attempt to create the impression that the government is neutral aroused wide protests. The treasury head now changes front and would have it that the government would not pass the eight-hour bill if the ministers knew the real issues and it accept nothing from the miners but complete surrender.

The Churchill statement is interpreted by the public to mean that the Tory politicians at last realize what every English observer accepts—that a defeat of the miners will solve nothing. It is agreed that the coal owners' policy of long hours, low wages and district agreements is no solution for the ills of an industry that has been studied scores of times by impartial commissions. Each of these favor a reorganization and oppose longer hours.